Outlook

RE: Lathrup Village - Market/Assessed Value

From Prybylski, Justin <JPrybylski@cityofsouthfield.com>
Date Mon 11/2/2026 4:21 PM
To Michael Greene <mgreene@lathrupvillage.org>
Cc Assessor <Assessor@lathrupvillage.org>; Assessor2 <assessor2@lathrupvillage.org>

Michael,

I looked into the market and have done a proforma income for valuation of that apartment project. This proforma assumes that the building came to market as an apartment with 145 units and does not have any abatement/pilot. My estimate of a project this size would be roughly $15.46M, or about $106,000 per unit. The total annual taxes for the owner would be roughly $515,000 and the City taxes (17.3001) would be $133,730 annually.

The proforma income valuation is below:

2027 PROFORMA INCOME APPROACH

as of December 31, 2026

SUBJECT:	
27700 SOUTHFIELD RD	
LATHRUP VILLAGE, MI 48076	
OCCUPANCY TYPE: RESIDENTIAL/APARTMENT UNITS	
MARKET: SOUTHFIELD	
BUILDING FLOOR AREA (SF):	**190,074**
NET LEASABLE AREA (SF):	**190,074**
3-BRDM UNIT COUNT:	-
2-BDRM UNIT COUNT:	62
1-BDRM UNIT COUNT:	83
TOTAL UNIT COUNT:	145
MARKET RENTAL RATES (/MONTH):	
3-BRDM MARKET RENT (/UNIT):	$3,000
2-BRDM MARKET RENT (/UNIT):	$2,200
1-BRDM MARKET RENT (/UNIT):	$1,400
MARKET RENTAL RATES (/MONTH):	
3-BRDM MARKET RENT (/MONTH):	$0
2-BRDM MARKET RENT (/MONTH):	$136,400
1-BRDM MARKET RENT (/MONTH):	$116,200
TOTAL MARKET RENT (/MONTH):	$252,600
ANNUALIZED MARKET RENT (x12):	$3,031,200
POTENTIAL GROSS INCOME (PGI):	**$3,031,200**
MISCELLANEOUS INCOME:	$0
MARKET VACANCY RATE:	7.50%
COLLECTION LOSS:	2.50%
VACANCY/COLLECTION LOSS:	10.00% $303,120
EFFECTIVE GROSS INCOME (EGI):	**$2,728,080**
OPERATING EXPENSES:	40.00% $1,091,232
NET OPERATING INCOME (NOI):	**$1,636,848**
CAPITALIZATION RATE:	**10.58%**
TOTAL:	**$15,464,269**
ESTIMATED TRUE CASH VALUE:	**$15,460,000**
ESTIMATED VALUE $/UNIT:	**$106,621**
ESTIMATED VALUE $/SF:	**$81.34**
EFFECTIVE TAX RATE:	**3.3347%**
ANNUAL TAX ESTIMATE:	**$515,546**

If you'd like to discuss just give me a call.

Thanks.

Regards,

Justin E. Prybylski, MMAO(4), PPE
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